

**CITY COUNCIL
ATLANTA, GEORGIA**

AN ORDINANCE

04-0-1814

BY COUNCILMEMBERS DEBI STARNES, CARLA SMITH, CEASAR C. MITCHELL, H. LAMAR WILLIS, JOYCE M. SHEPERD AND MARY NORWOOD

AS SUBSTITUTED AND AMENDED

BY FINANCE/EXECUTIVE COMMITTEE

AN ORDINANCE TO AMEND CHAPTER TWO ARTICLE X DIVISION FOUR OF THE CODE OF ORDINANCES OF THE CITY OF ATLANTA TO ADD A NEW SECTION TO ENCOURAGE THE CITY OF ATLANTA AND BUSINESSES THAT BENEFIT FROM RECEIPT OF CITY FUNDS TO ENGAGE IN RESPONSIBLE BUSINESS PRACTICES BY PAYING THEIR EMPLOYEES A LIVING WAGE, PROVIDING HEALTH BENEFITS AND PRACTICING PAY EQUITY.

WHEREAS, it is important to the health and welfare of all citizens of Atlanta that working people are paid a wage that enables them to lift their families out of poverty; and

WHEREAS, the City awards taxpayer-funded contracts to businesses to provide services to the public and to City government; and

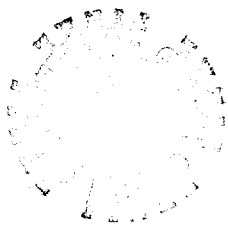
WHEREAS, the City provides taxpayer-funded financial assistance to businesses that pledge to create jobs and expand economic opportunity in Atlanta; and

WHEREAS, many service employees in Atlanta and their families live at or below the poverty line; and

WHEREAS, the payment of such inadequate compensation tends to negatively affect the quality of services to the City and the public by fostering high turnover and instability in the workplace; and

WHEREAS, ensuring that businesses benefiting from City funds promote the creation of jobs that pay a living wage will increase the ability of Atlanta residents to attain selfsufficiency, decrease economic hardship in the City, and reduce the need for the taxpayers to fund social services in order to provide supplemental support for the employees of local businesses; and

WHEREAS, many businesses benefiting from City funds do not provide health insurance to their employees, adversely affecting employee performance and absenteeism, and increasing the burden on the taxpayers of caring for the uninsured through local and state



WHEREAS, the City is concerned that businesses receiving City funds provide equitable pay to all employees performing same or similar work on City projects; and

WHEREAS, it is inappropriate that taxpayer funds awarded to businesses for purposes of providing services to the City or creating jobs in Atlanta should be used for unrelated purposes, such as encouraging or discouraging workers in relation to joining a union; and

WHEREAS, a City policy to promote the creation of living wage jobs complements other City programs aimed at meeting the employment needs of Atlanta and its workforce; and

WHEREAS, it is the purpose of this policy to ensure that businesses benefiting from taxpayer funds provide a living wage and health benefits to their employees, practice pay equity, and refrain from using public money for inappropriate purposes, thus enhancing the welfare of workers of Atlanta; and

WHEREAS, for purposes of this policy, a contractor is defined as a business that contracts directly with the City of Atlanta to perform a service for the City; and

WHEREAS, for purposes of this policy, a subcontractor is defined as a business hired by a contractor to perform a part of the service that the contractor is responsible to perform for the City; and

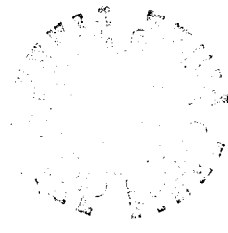
WHEREAS, in 2001, according to the Georgia Economic Self-Sufficiency Standard, the wage required for a family of three to live at 130% above the national poverty level is \$10.50 per hour. In addition, basic health insurance coverage for a family of three equates to \$1.50 per hour.

THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF ATLANTA AS FOLLOWS:

Section 1: That a new Section of the Procurement and Real Estate Code of the City of Atlanta (hereinafter "Procurement Code"), Section 2-1214, is hereby created to read:

Section 2-1214. Voluntary Living Wage Certification

- (a) Applicability. This living wage program shall be an evaluation factor that applies to competitive sealed bids under section 2-1188, excluding contracts for the procurement of supplies and commodities, competitive sealed proposals under section 2-1189, and competitive selection procedures for professional and consultant services under section 2-1193. Any business that competes for a City contract under any of the enumerated sections shall be given preference in the award of a City contract if it is certified under the living wage program. Certification under the living wage program shall be an added evaluation factor



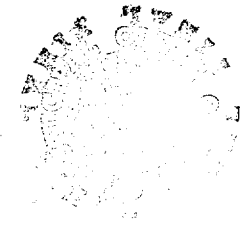
under code sections 2-1188 (h), 2-1189 (d) and 2-1193 (d). This living wage program does not apply to leases of City property, which includes the airport, construction projects or federal ly-funded projects.

This living wage program shall not apply to any employee who is:

- (1) employed in construction work or other work that is subject to city, state or federal prevailing wage laws; or
- (2) younger than 18 years of age; or
- (3) employed during summer months in a program to create summer jobs for students or teenagers; or
- (4) engaged in a bona fide training program, not to exceed 60 days in duration, which will ensure that the person advances into permanent employment; or
- (5) engaged or participating in a bona fide student internship program; or (6) engaged in work that is unrelated to a City project.

(b) *Statement of Policy.* The purpose of this section is to encourage that when taxpayer-funded benefits are extended by the City of Atlanta to private businesses, they are used in a way that benefits the interests of the City as a whole by creating jobs for Atlanta residents. The section therefore encourages the City and its service contractors and subcontractors to pay their employees who perform work on City projects a wage that will enable each of them to support a family at a level that meets basic needs and avoids economic hardship. The section also encourages such businesses to promote a nondiscrimination employment policy and to practice pay equity.

(c) *Certification as a living wage business.* In order to be certified as a living wage business, a competing business must submit a completed application to the Department of Procurement, and the applicant must be approved and certified by the Department of Procurement. A competing business must submit a completed and signed written application to become a living wage business before it can receive a living wage preference on an eligible project under code sections 2-1188, 2-1189 and 2-1193. In order to be deemed a living wage business and receive a preference on an eligible project, the application for approval as a living wage business and all supporting documents must be received by the Department of Procurement no later than 30 calendar days prior to the date bids, proposals or statements of interest are received on such eligible project. A competing business that fails to submit an application 30 calendar days prior to the date bids, proposals or statements of interest are received on the project, but which otherwise meets the requirements for approval as a living wage business shall be deemed a living wage business and receive a preference on such future eligible projects for which the date proposals, bids or statements of interest are received is at least 30 calendar days after the date such application is received.



(d) *Criteria.* To be certified as a living wage business, the eligible business must satisfy the following criteria:

- (1) Verify that the business pays its employees who perform work on City projects at a rate equal to or above the Living Wage, currently calculated as \$10.50 per hour, as published by the Department of Procurement on December 1 of the preceding year and based on the preceding 12 months in the Consumer Price Index for All Urban Consumers for the Atlanta, Georgia MSA; and
- (2) Verify that the business either (i) provides health benefits for its employees who perform work on City projects and pays the Living Wage; or (ii) the business pays its employees who perform work on City projects a wage rate of no less than the sum of the current Living Wage plus the health benefits supplement rate of \$1.50 per hour beginning July 1, 2005, each year thereafter this rate shall be upwardly adjusted in proportion to the increase, if any, during the preceding 12 months in the Consumer Price Index for Medical Care for the Atlanta, Georgia MSA. If the business provides health benefits for an employee's spouse, such benefits must also be provided to domestic partners. In addition, if health benefits are provided to the family, such benefits must also be provided to the domestic partner of the employee.
- (3) Verify that the business provides equitable pay to all employees performing same or similar work on City projects.

(e) *Term.* The certification as a living wage business shall expire two (2) years from the date of the approval of the application. Following the expiration date, a business is no longer certified as a living wage business. A competing business must submit a new application for certification as a living wage business to the Department of Procurement and establish that it continues to meet the requirements contained in paragraph (d) of this section in order to receive the living wage preference on eligible projects under sections 2-1188, 2-1189, and 2-1193.

(f) *Effective Date, Duration of Coverage & Counting Employees.* This section shall take effect 90 days after its enactment and shall apply to any competitive bids, proposals, or new contracts awarded under section 2-1188, section 2-1189 and section 2-1193. Provided, however, that certified living wage businesses shall not be required to begin paying the wages and benefits established by this article, or to comply with the article's other requirements, until July 1, 2005. This section shall not apply to existing contracts.

(g) *Continuing certification of living wage businesses.* Businesses competing for contracts under sections 2-1188, 2-1189, and 2-1193 shall be under a continuing duty to immediately inform the Department of Procurement in writing of any changes in the business if, as a result of such changes, the business no longer satisfies the requirements of paragraph (d) of this section.



(h) *Citizen Review Committee.* There shall be a nine (9) member Citizen Review Committee that meets semi-annually to focus on the implementation and impact of the living wage preference program. The Citizen Review Committee shall provide a written summary report to City Council and the Mayor on an annual basis. The nature of the studies and research of the Citizen Review Committee shall include, but is not limited to:

- (1) the efficiency of the living wage program;
- (2) the impact of the living wage program;
- (3) comparison of the living wage program with other similar programs in the nation; and
- (4) recommendations to improve the living wage program.

City Council shall appoint seven (7) members of the Citizen Review Committee. The appointed membership of the Citizen Review Committee shall be comprised of the following:

- a. Two members from the Atlanta business community;
- b. Three members from nonprofit organizations focused on pay equity;
- c. One member who is an economist; and
- d. One member who is an attorney.

In addition, the Mayor shall appoint two (2) members of the Citizen Review Committee.

(i) *No Conflict with Other Labor Standards.* This section establishes minimum standards for the wages, benefits and protections that may be extended to employees who work on City projects. Nothing in this section shall be construed as a mandate or as prohibiting or conflicting with any other obligation or law that requires the provision of higher or superior wages, benefits, or protections to employees. No part of this section shall be construed as applying to any employee or project where such coverage would be preempted by federal or state law. However, in such circumstances, only those applications of this section for which coverage would be preempted shall be construed as inapplicable.

A true copy,

Rhonda Daughlin Johnson
Municipal Clerk, CMC

ADOPTED as amended by the Council
APPROVED by the Mayor

Jan 03, 2005
Jan 10, 2005

RCS# 6373
1/03/05
2:24 PM

Atlanta City Council

Regular Session

04-O-1814

COA & BUSI REC'V CITY FUNDS OR PROP USE
ENGAGE IN RESPONSIBLE BUSI PRACTICES
ADOPT SUB AMEND

YEAS: 13
NAYS: 1
ABSTENTIONS: 0
NOT VOTING: 2
EXCUSED: 0
ABSENT 0

Y Smith	Y Archibong	Y Moore	Y Mitchell
Y Starnes	Y Fauver	Y Martin	Y Norwood
Y Young	N Shook	Y Maddox	NV Willis
Y Winslow	Y Muller	Y Sheperd	NV Borders

04-O-1814

472

04-C-1814
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AN ORDINANCE *Paula Smith*
Deborah Starnes
BY COUNCILMEMBER **DEBORAH STARNES**

AN ORDINANCE TO AMEND CHAPTER
ARTICLE X DIVISION FOUR OF THE CODE
OF ORDINANCES OF THE CITY OF
ATLANTA TO ADD A NEW SECTION TO
ENCOURAGE THE CITY OF ATLANTA AND
BUSINESSES THAT BENEFIT FROM
RECEIPT OF CITY FUNDS OR FROM USE OF
CITY PROPERTY TO ENGAGE IN
RESPONSIBLE BUSINESS PRACTICES BY
PAYING THEIR EMPLOYEES A LIVING
WAGE, PROVIDING HEALTH BENEFITS
AND PRACTICING PAY EQUITY AND FOR
OTHER PURPOSES. **ADOPTED BY**

JAN 03 2005

COUNCIL

SUBSTITUTES AMENDED

- ☐ CONSENT REFER
- ☐ REGULAR REPORT REFER
- ☐ ADVERTISE & REFER
- ☐ 1st ADOPT 2nd READ & REFER
- ☒ PERSONAL PAPER REFER

Date Referred 10/04/04
Referred To: Finance/Exec
Date Referred _____
Referred To: _____
Date Referred _____
Referred To: _____

First Reading
Committee _____
Date _____
Chair _____
Referred To _____

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Committee Executive
Date 1/13/05
Chair _____
Action
Fav, Adv, Hold (see rev. side)
Other _____
Members _____

Refer To _____

Committee

Date _____
Chair _____
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Substituted
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Other _____
Members _____

Amended
Committee Executive
Date 1/13/05
Chair _____
Action
Fav, Adv, Hold (see rev. side)
Other _____
Members _____

Refer To _____

FINAL COUNCIL ACTION
☒ 2nd ☐ 1st & 2nd ☐ 3rd
Readings
☐ Consent ☐ V Vote ☒ RC Vote

CERTIFIED
JAN 03 2005
Paula Smith
MUNICIPAL CLERK

CERTIFIED
JAN 03 2005
Paula Smith
MUNICIPAL CLERK

APPROVED
Paula Smith
MAYOR